

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 7224

BILL NUMBER: SB 441

DATE PREPARED: Jan 28, 2002

BILL AMENDED: Jan 28, 2002

SUBJECT: Property and Casualty Premium Increase Disclosure.

FISCAL ANALYST: Michael Molnar

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FUNDS AFFECTED: **GENERAL
DEDICATED
FEDERAL**

IMPACT: Local

Summary of Legislation: (Amended) This bill requires an insurer to give proper notice before increasing the premium for certain commercial property and casualty policies by more than 30%.

Effective Date: July 1, 2002.

Explanation of State Expenditures: This bill does not contain any new requirements for state agencies.

Explanation of State Revenues:

Explanation of Local Expenditures: (Revised) This bill requires that a public entity meeting the requirements set forth in the bill be provided notice of property and casualty insurance premium increases of more than 30%. This notice may allow the public entity time to shop around for comparable insurance at a lower premium. It is uncertain as to the effect that this notification requirement may have on insurance premiums for public entities. The number of public entities that meet the requirements set forth in this bill is undeterminable.

Explanation of Local Revenues:

State Agencies Affected:

Local Agencies Affected: Those purchasing commercial property and casualty insurance that meet the requirements in this bill.

Information Sources: